



QUICK FACTS SUPPLEMENT: *AFFORDABILITY*

INTRODUCTION

Quick Facts Supplements are intended to act as resources and provide further data on current topics in higher education

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MISSOURI SNAPSHOT

State Appropriations for Public Institutions

FY08—Governor Blunt recommends increases for public institutional operating budgets¹

4.5% - public four-year; 4.2% - public two-year; 6.3% - Linn State

National Context for Changes in State Appropriations to Higher Education²

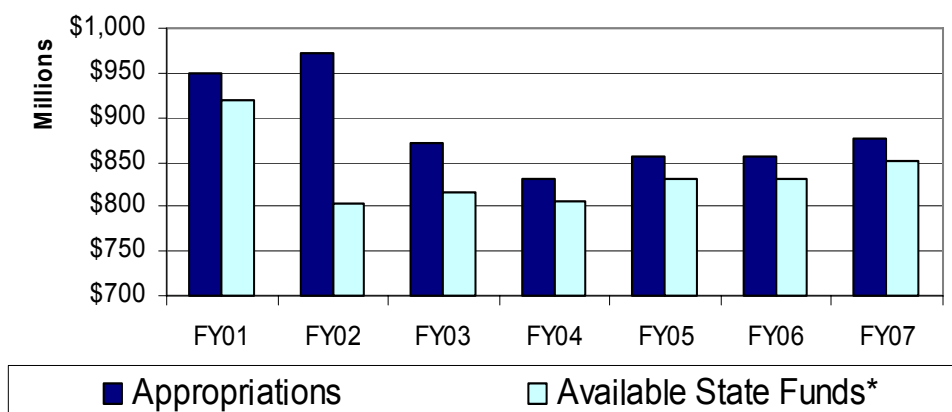
FY02—FY07	Missouri: -9.9%	Nation: 15.1%
FY04—FY07	Missouri: 4.7%	Nation: 18.8%
FY06—FY07	Missouri: 2.7%	Nation: 7.1%

Trend in State Support

Missouri FY07 available state funds* to public institutions' operating budgets remain below FY01 levels¹:

Public four-year—6.9% below
Public two-year—10.5% below

Total Public Institution Appropriations and Available State Funds*, FY01 - FY07** (FY07 estimated)¹



*Available funds=appropriations less withholdings and governor's reserve

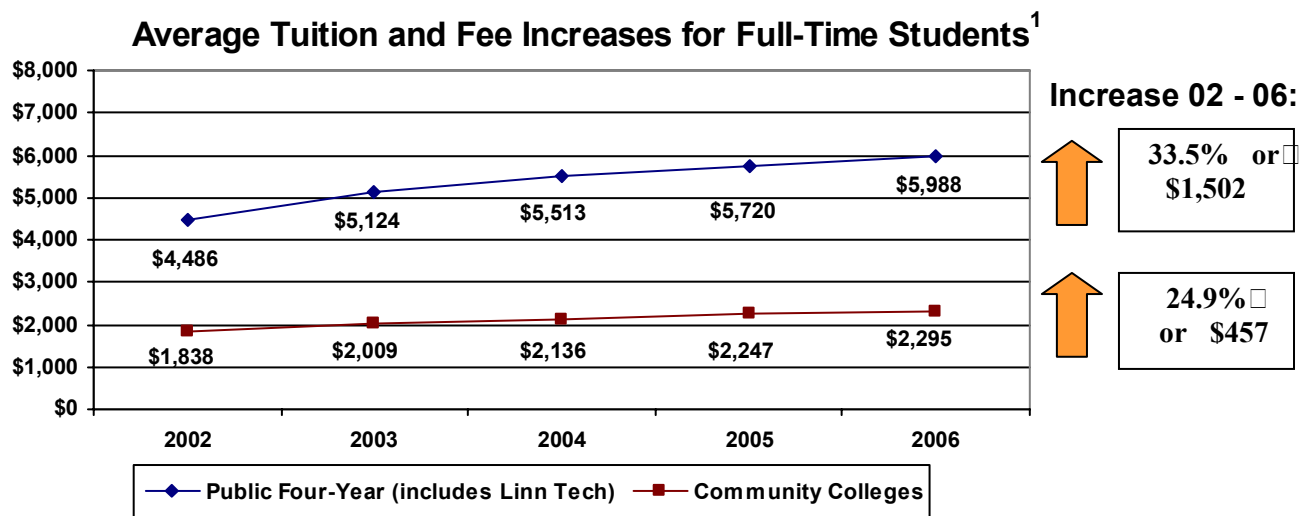
**In actual dollars, not adjusted for inflation

Across Traditional State Appropriations Indicators, Missouri Ranked in Bottom Quartile for Past Five Years²:

<u>Appropriations Measure</u>	<u>Highest Rank</u>
State appropriations to public higher education per \$1,000 personal income, FY02 to FY07	39th
State appropriation dollars per capita for public higher education, FY02 to FY07	39th
Percentage increase in state appropriations for higher education, FY02 to FY07	45th

IMPACT ON STUDENTS

Tuition and Fees



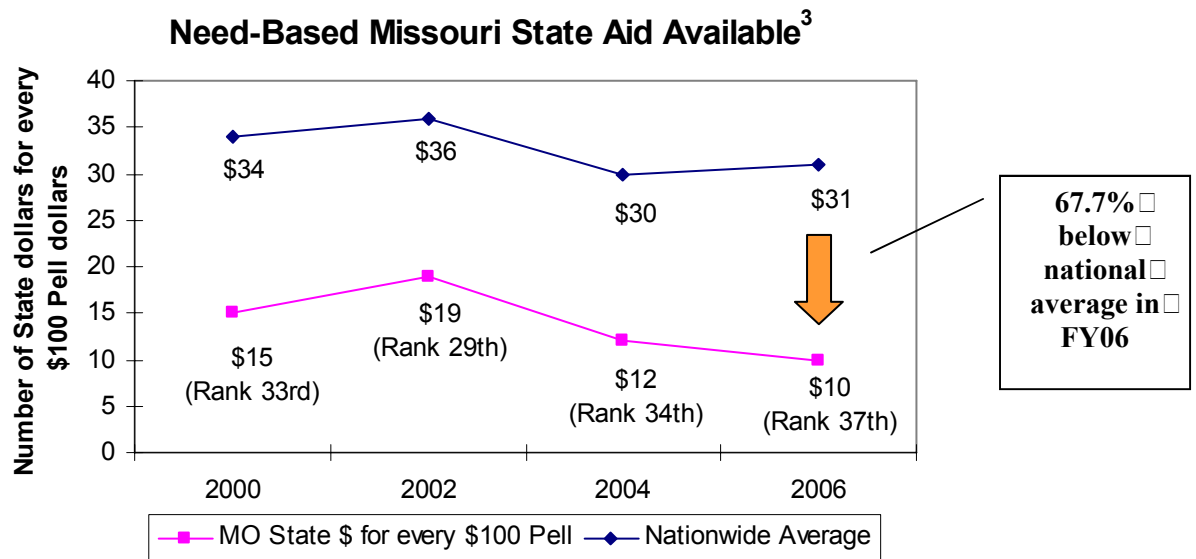
Tuition Factors, Nationally Ranked

Tuition Increases, FY02 to FY06³
Missouri Rank—25th

Tuition Revenue as a Percentage of Institution Budgets⁴
Missouri Rank—26th in FY05
Missouri Rank—24th in FY06

Family Income Required for Attendance After Financial Aid Below National Benchmark But Close to National Average³

Public Two-Year -	Missouri: 23%	Nation: 24%	Nat'l Benchmark: 15%
Public Four-Year -	Missouri: 31%	Nation: 31%	Nat'l Benchmark: 16%



Student Debt, Nationally Ranked⁵

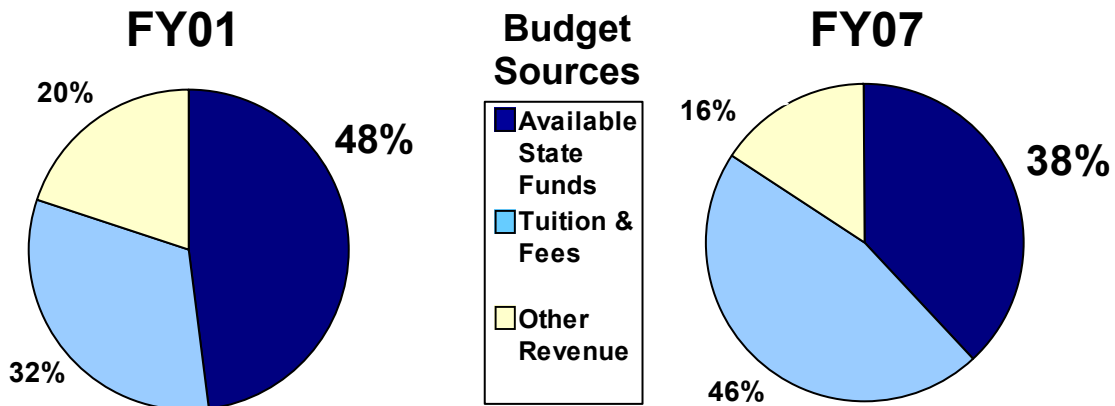
Average Student Debt Upon Graduation, 2005

Missouri Rank—13th lowest, Public Institutions

Missouri Rank—14th lowest, Public and Independent Institutions Combined

IMPLICATIONS

Shifts in Available State Funds* as a Percentage of Total Public Institution Budgets, FY01 & FY07¹ (FY07 Estimated)



Variations in Higher Education Portion of Missouri State Budget⁶:

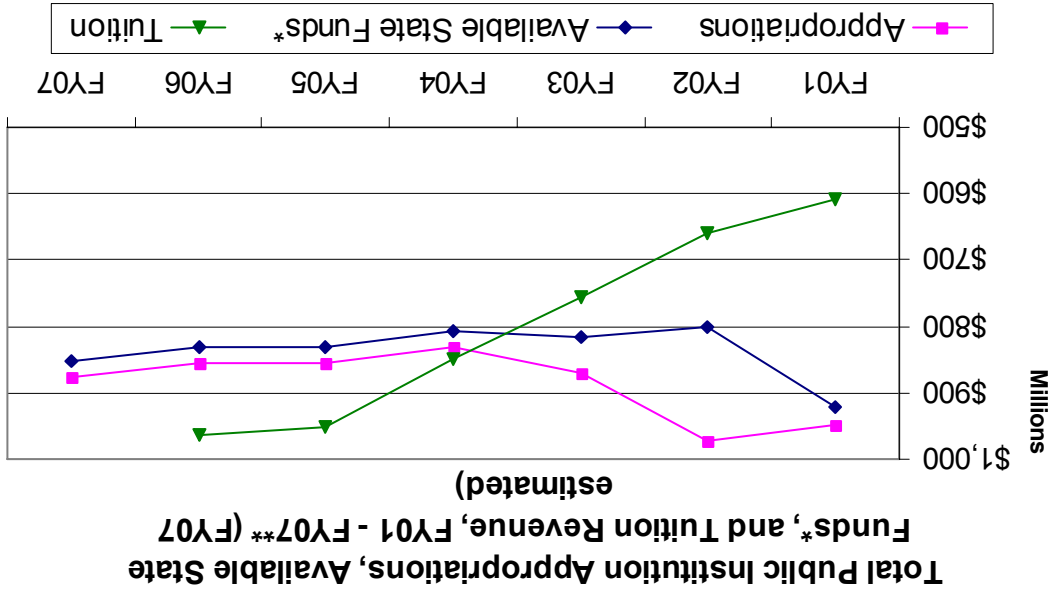
FY08: 11.4% (proposed)

FY02: 12.1%

FY90: 15.7%

*Available funds=appropriations less withholdings and governor's reserve

Tuition Buoying Appropriations: Tuition revenue overlook state appropriations in FY04¹



MDHE Policy Initiatives

State Appropriations

Develop a new higher education funding model that includes FTE sensitivity, mission, maintenance and repair, fixed costs, performance funding and periodic equity adjustments

Tuition and Fees

Create more transparency and accountability for tuition and fee decisions by institutional governing boards

Efficiency

Design a more systemic approach to institutional efficiencies by building on existing accomplishments, e.g., streamlining systems and use of alternative fuels and evaluating alternatives that may adversely impact quality, e.g., personnel and programmatic reductions, increased reliance on adjunct faculty and deferral of maintenance and repair

Financial Assistance

Implement a single comprehensive need based financial aid program that supports Missouri's neediest students

SOURCES

¹Missouri Department of Higher Education, 2007. *Fiscal and institutional data*.
²Center for Study of Education Policy. *Grapevine: Reports on state tax effort for higher education*. <http://www.grapevine.ilstu.edu>.
³National Center for Public Policy and Higher Education, 2006. *Measuring Up 2006*. <http://measuringup.highereducation.org>.
⁴State Higher Education Executive Officers, 2007. *State Higher Education Finance FY06*. http://www.shceo.org/pubs/pubs_results.asp?issueID=12. Available February 21, 2007.
⁵The Project on Student Debt, 2006. *Student Debt and the Class of 2005: Average Debt by State, Sector, and School*. <http://www.projectonstudentdebt.org>.
⁶Missouri Office of Administration, 1989-2007. *The Missouri Budget, FY1990—FY2008 Editions*.
Dickeson, R.C. 2006. *Spelling's Commission issue paper: About college costs*. <http://www.ed.gov/about/bdscomm/list/hiedfuture/reports/dickeson2.pdf>.
*Available funds=appropriations less withholdings and governor's reserve
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